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CHAPTER 1: INTRODUCTION

INTRODUCTION

1.1 OVERVIEW OF SSCR

Since the passage of the Higher Education Act of 1965, schools have been required to confirm and report the enrollment status of attending students who receive federal loans. This reporting process is called Student Status Confirmation Report (SSCR). Because a student's enrollment status determines his or her deferment privileges and grace periods, as well as the government's payment of interest subsidies, SSCR is critical for effective administration of Title IV loans. It is the primary means of verifying students' loan privileges and the federal government's monetary obligations.

SSCR is a key element of effective Title IV loan administration.

In the past, guaranty agencies (GAs) assumed responsibility for SSCR on behalf of the lenders that they served. Schools received a roster from each agency responsible for borrowers who were enrolled at their institution and verified enrollment for each. Because schools could receive rosters from more than 40 different agencies, each with its own processing schedule and data format, automating the process was difficult and reporting was performed manually.

In 1994, the U.S. Department of Education (ED) began using the National Student Loan Data System (NSLDS) to track and monitor all student loan borrowers and grant overpayments. (A brief description of NSLDS is provided in the Appendix.) ED has incorporated SSCR into the NSLDS to centralize and fully automate the enrollment verification system. The new SSCR process benefits the entire student loan community: students, schools, lenders, GAs, and ED.

1.1.1 SSCR OBJECTIVES

The objectives of the SSCR function of NSLDS are as follows:

- To improve the quality and accessibility of enrollment data. Schools, GAs, and ED are able to obtain all enrollment information for each student having a Federal Family Education Loan (FFEL) or Federal Direct Loan (FDLP).

- To maximize the fiscal integrity of the Title IV loan programs by facilitating the process of getting each loan into repayment on a timely basis.

- To protect student entitlements to grace and deferment periods through improved tracking of enrollment status dates.

- To generate SSCR Roster Files in a standard format based on standard data elements and definitions.

- To reduce the burden on schools administering Title IV loan programs.

1.1.2 SSCR BENEFITS

Schools benefit from the centralized, electronic SSCR process in several ways:

- Reduced paperwork and manual effort
- Increased cost-effectiveness
- Improved management of the SSCR process using automated scheduling

The federal government benefits from:

- More accurate and timely reporting
- Ease in auditing student enrollment status
- Reduced cost

1.2 COMPLIANCE

Federal regulations governing Title IV student aid programs provide that institutions, lenders, and guaranty agencies monitor and update the enrollment status of students who receive federal student loans. The completion of SSCRs by schools satisfies the regulatory requirement to confirm and update enrollment status for borrowers [34 CFR 682.401(b)(20)].

The SSCR Roster File is placed in schools' Title IV mailboxes the first business day of the month determined by the SSCR schedule schools have set up through the NSLDS online screens. Your institution is required to provide its enrollment update responses to the SSCR Roster File within 30 days of the roster's arrival in your institution's Title IV WAN mailbox. Upon receipt of the SSCR Submittal File, NSLDS returns an Error Notification File that includes a count of accepted records and error records from the submitted SSCR. You are required to respond with corrections to the errors within 10 days of the arrival of the Error Notification File in your Title IV WAN mailbox. The SSCR Error Notification File is created even if there are no errors to report, and it serves as proof that your school returned its SSCR to the NSLDS. Schools should retain a copy of the Error Notification File for possible auditing purposes.

1.2.1 SCHOOL NOTIFICATION

The Department of Education acknowledges and rewards schools that successfully participate in the SSCR process. Conversely, it takes enforcement action against schools that do not respond to efforts to ensure full participation in the SSCR process.

The Successful Completion Letter is sent to all schools that successfully retrieve, compile, and return the SSCR so that at least 90% of the student records in the first Submittal File are accepted into the NSLDS.

The Non-Participating Letter is addressed to the presidents of schools that are eligible to participate in the SSCR process but have not signed up with Title IV WAN or a designated third-party servicer to process their SSCR rosters.

The Department of Education also monitors the submission of SSCRs to the NSLDS on an on-going basis. Schools which fail to return their SSCR within the required timeframe receive a series of Overdue Letters that remind them of their obligation to process and return the SSCR.

The first Overdue Letter is sent to the financial aid administrator if the SSCR roster has not been returned within the required thirty-day timeframe. The second Overdue Letter is sent to the president or chief executive officer, registrar, and financial aid administrator if the roster is more than 18 days late. The third Overdue Letter, which is the final demand letter, is sent to the president or chief executive officer, registrar, and financial aid administrator if the roster is more than 28 days late.

Schools that do not comply with the regulatory requirement to confirm and update enrollment status for borrowers and are found grossly negligent can have their eligibility for Title IV Student Aid revoked and be fined. Schools in this category have failed to respond to Non-Participation Letters or the series of Overdue Letters, and they have failed to contact NSLDS regarding the status of their SSCR processing.

1.3 HOW TO USE THIS GUIDE

The SSCR User's Guide provides the information needed by school personnel in the Registrar's Office, Financial Aid Office, and computer or data processing department to participate in the NSLDS SSCR process. The guide covers:

- How the automated SSCR process works, including who does what tasks

- How to update the SSCR Roster File containing the student enrollment information to build the Submittal File

- How to use the online SSCR functions

- What to do if you should encounter any problems using SSCR

Depending on your role, you may not need to read the entire guide. Everyone involved should read the first three chapters for a high-level understanding of SSCR. The following section, Contents of This Guide, will help you determine which of the other chapters you should read.

1.3.1 CONTENTS OF THIS GUIDE

The SSCR User's Guide includes a table of contents, seven chapters, an appendix, a glossary, and an index. Each chapter and the appendix is described below. The glossary provides definitions of computer and federal loan program terms including acronyms. This guide assumes the reader is familiar with basic computer terminology and concepts, such as file, record, field, database, and network.

- **Chapter 1: Introduction**—Presents a brief history and overview of SSCR, explains how to use this guide, and lists the document conventions used in the guide.

- **Chapter 2: Preparing for the SSCR Process**—Clarifies the roles of the different school offices in the SSCR process. It also provides an action plan for implementing SSCR, describes the data processing requirements for SSCR, and summarizes data security considerations.

- **Chapter 3: The SSCR Process**—Details the SSCR processing cycle, including the steps needed to update the SSCR Roster File.

- **Chapter 4: Building the Submittal and Error Correction Files**—Provides detailed technical information about receiving, reading, updating, and correcting errors in the SSCR Roster File and the files that derive from it.

- **Chapter 5: SSCR Record Layouts**—Describes record formats and field definitions, including codes required for certain fields. The campus administrative computing

department will need this information to build the Submittal File and Error Correction File, and to develop any software that matches SSCR files with school files and checks the updated SSCR files for errors before submitting them to NSLDS.

- **Chapter 6: Using the Online SSCR Functions**—Gives step-by-step instructions for using a personal computer (PC) to update SSCR information online.

- **Chapter 7: Problem Resolution**—Lists solutions to common problems. It also tells you how to reach the NSLDS Customer Service Center for help when the Problem Resolution chapter does not address your situation.

- **Appendix: Overview of the National Student Loan Data System**—Explains the purpose and functions of NSLDS.

1.3.2 ADDENDA TO THIS GUIDE

From time to time, you will receive additional documents related to this guide. These addenda will reflect changes to the SSCR process and enhancements of the SSCR functions in NSLDS.

You will also receive Question and Answer (Q & A) mailings to help you implement the new SSCR process, as NSLDS becomes aware of common school concerns. The Q & A's will be based on contacts between NSLDS and users at the schools, whether through meetings, video conferences, telephone calls to the NSLDS Customer Service Center, or letters and facsimiles.

Please save the update documents and Q & A's that you receive in the Addendum section at the end of this guide, after the index.

1.3.3 TYPOGRAPHICAL CONVENTIONS

The following table shows the typographical conventions used in this guide.

Convention	Description	Example

Bullet lists	Items in a list are bulleted when they present information which is not numbered and does not constitute a series of steps in a procedure.	• Student's SSN
		• Student's Name
		  − Last
		  − First
		  − Middle Initial

Convention	Description	Example
Data fields	Names of data fields are capitalized.	Change the student's birth date in the New Student's Date of Birth field.
Computer keys	Names of keys appear in boldface and are capitalized.	Press **ENTER**.
Numbered lists	Items in a list are numbered when the number of items is specified in advance, or when the items form a series of steps in a procedure.	There are three types: 1. Type A 2. Type B 3. Type C
Objectives	Begin with "To".	To confirm your selection, press **ENTER**.
Screen data	Screen messages and data to be entered on the screen or in a file appear in boldface, with capitalization matching the screen appearance or data specification.	If you enter an invalid user ID or password three times, you see the message **Invalid Sign-on Attempt**. Type **2** at the prompt.
Text box	Text boxes contain important suggestions or reminders.	*This text box contains an important statement.*